MERAFONG CITY LOCAL MUNICIPALITY

BUDGET SPEECH 2009 / 2010

DELIVERED BY: COUNCILLOR D.D. VAN ROOYEN: THE EXECUTIVE MAYOR

DATE: 29 MAY 2009

ADDRESS OF THE EXECUTIVE MAYOR OF MERAFONG COUNCILLOR .D.D VAN ROOYEN TO THE SPECIAL COUNCIL SITTING OF MERAFONG CITY LOCAL COUNCIL TO CONSIDER THE BUDGET FOR THE FINANCIAL YEAR 2009 / 2010 HELD AT THE COUNCIL CHAMBER 29TH MAY 2009.

INTRODUCTION:

- Madam. Speaker
- Honorable Executive Mayors from adjoining City Councils within the District.
- The Acting Chief Whip of Council.
- Members of the Mayoral Committee of Merafong City.
- Honorable Councillors.
- Distinguished Guests
- Ladies and Gentlemen.

Madam Speaker, thank you very much for affording me an opportunity to present our draft budget for the 2009/2010 Medium Term Expenditure Framework cycle.

Madam Speaker:

A Strategic Plan "Progressive Accelerated Service Delivery" where the following main strategies, together with the commitment to improve and extend service delivery to the communities of Merafong were adopted for the 2009/2010 Medium Term Expenditure Framework cycle.

The following key performance indicators were adopted:

Integrated Spatial Development for Sustainable Development

Provision of Basic Services
Promote Economic Development
Municipal transformation and Organizational Development
Municipal Financial Viability and Management
Good Governance and Public Participation

The Strategic Plan will position us to be a well-run city through good governance, where economic growth and prosperity and quality municipal service delivery places us among the leading municipalities as we settle in Gauteng Province.

The above-mentioned priorities where key to the process leading to the draft budget that we are presenting here tonight.

Our draft budget is therefore informed by the Draft Integrated Development Plan, informed by submissions made by communities as part of the public participation legislative provisions.

In compiling the budget we took into account the following:
.The need to improve the standard of services that our municipality renders to residents of Merafong.
This includes the provision of basic services to those living below the poverty line.

.A principled commitment to ensure that our budget is realistic and credible.
We also had to make it a point that the funding of the budget demonstrate a commitment to a long-term sustainability of our municipality.

We also took care not to overlook the following realities:
.The average payment levels for the past three years

2006/2007		77.00%
2007/2008		85.78%
2008/2009	up to April 2009	82.56%

The political instability in certain areas as created by the by 12th amendment of the country`s constitution impacted negatively on the payment levels.

- The projected 15.30% tariffs increases by Rand Water for the 2009/2010 financial year.

- The application by Eskom to NERSA for a tariff increase of 34% for the 2009/2010 financial year. We will recall that Eskom increased its tariffs by 52.6% during the 2008/2009 financial year. Those of you familiar with numbers will agrre with me that this is a combined increase of 86.6% for the past two years.

- The implementation of the Property Rates Act in 2008, and the exorbitant tariff increases by Eskom which resulted in a substantial portion of the community finding it difficult to afford councils tariffs. While this impacted on everyone, senior citizens dependent of state grants for survival were seriously affected.

- The establishment of Khutsong 1, 2 and 3 necessitated that council's structure had to be changed to be able ensure that to deliver in line with increased demands.

- The needs identified by the community through the Integrated Development Plan.

- The slowdown of the economy of the Republic and the global recession.

PUBLIC PARTICIPATION

As provided for by legislation governing our sphere of government the process of developing this budget necessitated that we interact with communities for input and discussions on their priorities and concerns. Consultative meetings were also held in the following areas of Merafong.

DATE	VENUE	TARGET COMMUNITY
28 April 2009 and 14 May 2009	Kokosi Community Hall	Fochville, Kokosi, Greenspark and Farms
29 April 2009	Wedela Community hall	Wedela, Deelkraal and Mines
30 April 2009	Khutsong Community Hall	Khutsong and Khutsong South.
4 May 2009	Carletonville Civic Centre	Carletonville, Blybank, Welverdiend and Farms

All the venues were well attended and constructive inputs were received.

The budget and the IDP were made public and the local community was invited to submit representations in connection with the budget and the IDP.

Madam Speaker:

Council considered the views of the;

- The local community and

- The National Treasury and the North West Provincial Treasury.

Madam Speaker: As part of a mandate from my party and its administration we have taken into account representations made by the community and the budget before you today is informed by contributions from members of our community.

The following public participation process was followed to identify the capital programmes that I will present to you tonight.

- All councilors workshop on IDP and Budget
- Ward committees and Sector leadership workshop
- Ward councilors together with their committees conducted intensive ward meetings to submit their needs.
- An analysis of changing circumstances as reflected in the situation analysis by each department.
- A review of organizational performance
- The adjustment of Councils Strategic Plan to revise strategies and targets.
- My Imbizo report backs on municipal programmes and projects and community inputs.
- Structured consultation with mining houses to integrate socio and economic plans of the mines.
- IDP representatives forum

Madam Speaker:

- The substantial increases by Eskom and Rand Water will necessitate higher tariff increases than the prevailing inflation figures. We acknowledge that the implementation of the property rates act and the Eskom tariffs of the past two years have resulted in a substantial portion of the community finding it difficult to afford councils tariffs. Concious of challenges faced by communities we have established a link between tariffs and the usage of services by consumers

6.) TARIFF INCREASES

The following Principles were used to determine council's tariffs for 2009/2010.

- ✓ Affordability of service.
- ✓ Cost of service delivery.
- ✓ National initiatives.
- ✓ Government's inflation targets of between 3% and 6%.
- ✓ Free basic services (6 KL water and 50KwH electricity) will only apply to registered indigents.
- ✓ Service provider tariffs

Madam Speaker

1) CAPITAL BUDGET

As a way of being responsive to the needs of communities, Council undertakes to deliver the following capital programmes for the 2008/2009 financial year.

1.1 Infrastructure and Service Priorities.

Housing	R208 831 612
Water	R 13 240 768
Water Care Works	R 4 500 000
Sewer	R 6 125 841
Roads and Storm Water	R 19 450 000
Public Works	R 5 819 396
Electricity	R 41 343 000
Waste Management	R 15 619 570

1.2 Social Priorities

Parks	R 200 000
Cemeteries	R 1 773 662
Sport Facilities	R 2 832 683
Recreation Facilities	R 6 900 000

1.3 Spatial Priorities

Land Use Management	R 5 700 000

1.4 Economic Priorities

Local Economic Development	R 3 000 000

1.5 Institutional / Governance

Pay Points	R 2 200 000
Corporate Communication	R 250 000

1.6 The capital budget for Merafong City Local Council for the financial year 2009/2010 amounts to R712 984 564, based on the following provisions:

Secured Funding	R340 286 532
Unsecured Funding	R372 698 032
	R712 984 564

Madam speaker:

Last year I my budget presentation I made this observation, “Our location in the Gold belt of the Republic is placing a huge burden on the ability to deliver quality service to residents as expected”. I went further to acknowledge the fact that we are experiencing a steady stream of many South Africans abandoning their rural lifestyles for the bright lights of urban centers. This development has not stoped and new informal settlents are increasing on a daily basis. The shack farming phenomenon is also compounding matters as land owners determined to make money create informal settlements on every available piece of land.

The inputs from the community had highlighted needs that must be addressed. Council had responded by increasing funding to the following areas.

Housing
Sanitation
Electricity
Roads and Storm water
Waste Management

To deal with poverty alleviation and creation of a conducive environment for local economic development we have invested in the following:

1.6 JOB CREATION AND TRAINING TARGETS

EXPANDED PUBLIC WORKS PROGRAMME JOB CREATION TARGETS – PROJECTS IMPLEMENTATION				
	2007/2008	**2008/2009**	**2009/2010**	**2010/2011**
Infrastructure Development	1 270	1 400	1 500	1 600
SMME Development	44	26	30	35

Agriculture / Floriculture Projects	478	137	143	202
Tourism Development	35	16	21	27
Small Business Development	20	25	30	35
Development Agency	6	10	10	14

EPWP TRAINING			
2007/2008	**2008/2009**	**2009/2010**	**2010/2011**
745	820	900	980

2) Operational Budget for the 2009/2010 to 2011/2012 Financial Years

The Operational Budget for the 2009/2010 financial years was, to a certain extent, prepared on the zero-base principle. Each line item was compiled from current financial information.

In terms of the multi-year budget process the projections for the 2009/2010 to 2011/2012 financial years have been prepared on incremental bases, with adjustments for known variances**.**

The growth guidelines, which are in line with the Reserve Banks inflation targets, were used. Growth limits of 3% and 6% were used for the outer years, 2010/2011 and 2011/2012 budgets respectively.

Total Operational Budgeted Income and Expenditure for the financial year 2009/2010 is R638 079 345 which accounts for an increase of 20.73% from the previous years budgeted income of R528 510 175.

Madam Speaker I would like to highlight certain Revenue and Expenditure votes.

2.1 REVENUE

2.1.1 ASSESSMENT RATES

Madam Speaker:

- The implementation of the new Municipal Property Rates Act took place on 1 July 2009 and impacted negatively on our revenue collection.
- The objection and appeal process against the valuation roll is not concluded Council received amendments from the valuer during

November 2008. Residents were informed of the outcome of the appeals on the 27 November 2008.All the amendments in terms of inaccuracies and amendments less than 10% were corrected during January 2009 and are up to date. All amendments were corrected with retrospect from July 2008 and the results have been included in the adjustment process which started during January .

- All amendments above 10% were submitted to the appeal board on the 27 January 2009. The Appeal board under the chairmanship of Adv. Roopa did not have a sitting for the amendments off 10% and more.

Madam Speaker

- The Minister promulgated a regulation on the 29 March 2009 determining the ratios which councils must apply for the upper limits with respect to the ratios between residential and non residential properties as they relate to agricultural properties and public service infrastructure properties. This regulation comes into effect on the 1 July 2009.

- **Rates ratios to be applied**

Categories	**Ration in relation to residential property**
Residential Property	**1:1**
Agricultural Property	**1:0.25**
Public Service infrastructure property	**1:0.25**

As can be seen from the gazette regulations agricultural rates are 25% of Residential rates.

- **<u>Council rating tariffs will be as follows:</u>**

- Residential, Sectional Titles and Agriculture will be 1.07c in the Rand.

- Business and Industrial will be 2.54c in the Rand.

- Mines 3.24c in the Rand

- Agricultural Properties 0.27c in the Rand

Madam Speaker

- This is an average increase of 8% excluding agricultural that was reduced as per the government regulation. This is in line with the prevailing inflation rate of 8.2%

- Council's budget includes the Rebates, Exemptions, Phasing in and Exclusions as income and Council must budget for the Rebates, Exemptions, Phasing in and Exclusions as Income foregone as expenditure. The value of the Income foregone which are included in the revenue vote totals R13 959 319.

Madam Speaker

- As previously mentioned certain categories of consumers were seriously affected by the implementation of the said Act. Council therefore recommends an increase in the rebates granted to those receiving state grants.

  The percentage rebate granted to different monthly household income levels will be determined according to the schedule below.

  The proposed incomes and rebates for the 2009 / 2010 financial year as follows:

Gross Monthly Household Income 2009 / 2010		% Rebate
R 1	R 60 000	100%
R 60 001	R 66 000	75%
R 66 001	R 72 000	50%
72 001	R 78 000	25%
78 001 and above		0%

Madam Speaker

- The development of Khutsong Extensions 1, 2 and 3 will add an additional 18 000 houses to the existing 27 891 stands in Merafong. This will increase the stands by 39%. It can be accepted that these properties will all be exempted from assessment rates.

- Council cannot continue building low cost housing without embarking on high property developments. The percentage of low cost housing is too big and the existing properties will not be able to sustain the income or even generate additional income for investment.

- Council will have to embark on high income property developments to generate additional income. If council's tariffs increase above inflation

targets and become unaffordable it will become too expensive for its residents to live in Merafong. Council can experience an outflow of economic active people to border towns.

- ❖ This must be a high priority, land needs to be identified and a marketing strategy needs to be investigated.

- ❖ Council will have to investigate the expansion of council's industrial land. A marketing strategy must be investigated and rolled as a matter of urgency.

- ❖ Investment in Merafong must be the highest priority to ensure survival.

Madam Speaker

2.1.2 ELECTRICITY

- ✓ Electricity is a major concern to council. Eskom had requested to NERSA to increase its tariffs by 34%.

- ✓ Council had increased the residential tariffs of electricity for the 2008/2009 financial year by 29.38% and Eskom 52.6%. As a caring institution Merafong Council carried the additional 23.22%.

Madam Speaker

- ✓ Council cannot afford to carry any shortfalls in this financial year. It is therefore recommended that council will increase its electricity tariffs by 34% for the 2009/2010 financial year.

- ✓ It is clear with the tariff increases of 34%, Eskom tariffs will increase by 86.6% for the past two financial years and councils tariffs 63.38%.

- ✓ Council humbly request SALGA and National Treasury to intervene. The communities cannot afford to pay these extraordinary high electricity tariffs

- ✓ Council will have to develop an energy saving strategy in the 2009/2010 financial year and roll it out.

2.1.3 WATER

- ❖ Rand Water had increased its tariffs for the 2009/2010 financial year by 15.3%. This will place a further burden on the already over burdened community of Merafong.

Madam Speaker

- ❖ It is recommended that the increase be structured accordingly to ensure that consumers using between 0 and 15kl only be increased by 6%. The residents using between 16 and 35kl by 10% and those above by 15%.

- ❖ It is a fact that we live in a water scares country and the increases can therefore be motivated.

- ❖ The mine tariffs were never in line with the approved tariffs of Merafong residential and industrial tariffs. It is therefore recommended that the mine tariffs be brought in line with the tariff of consumers using 16 to 35kl of water.

2.1.4 SANITATION AND WASTE REMOVAL

Madam Speaker

- Both these two functions will be increased by 8%, which is in line with the prevailing inflation rate.

2.2 EXPENDITURE

2.2.1 SALARIES AND ALLOWANCES

Council's salaries represent 30.02% of the budget. This is well below the norm of 35%.

Madam Speaker

Council must consider approving that the salaries and allowances budget in the 2009/2010 financial year be based on the status quo of filled positions as at date of the budget approval. Provision must however be made for the filling of positions identified and regarded as crucial posts for service delivery purposes. Salary increases of 12% were provided for.

2.2.2 REPAIRS AND MAINTENANCE

During the IDP review process and internal analysis off service delivery, maintenance of infrastructure was identified as a key focus area to improve service delivery. Although the provision for maintenance on the proposed budget is still not at the required levels, the Repairs and Maintenance budget has been increased from R15 968 578 in 2008/2009 to R19 188 168 for the financial year 2009/2010.

Madam Speaker

The dolomite situation in Carletonville and Khutsong is really stretching council's repairs and maintenance budget. Further councils water network in most areas is very old and needs attention.

A concerted effort was made to increase Repairs and Maintenance to accommodate the growing need for funds. A target should be set to at least increase from the present 3.0% to 10% for the outer years until the 2011/2012 financial year.

2.2.4 CONTRIBUTIONS TO FUNDS (PROVISION FOR BAD DEBT)

Contribution to the Working Capital Reserve for the 2008/2009 financial year amounted to R60 042 420. The quantum of this item is relating directly to the revenue collection ratio. The municipality expects that it will be able to collect 81 percent of all revenue raised and is therefore including an amount under this item equal to 19 percent of the total revenue raised.

Madam Speaker

It must be noted that Council was in a position to provide for a 100% provision for bad debt for all outstanding debt older than 120 days and older.

Council appointed three debt collectors during the current financial year. Their successes will only be known in the next financial year.

Council will have to implement vigorous credit control in the 2009/2010financial year. We will have to improve credit control measures in order to realize maximum benefits. In doing so we should also not be naïve to the reality that while we have poor people around Merafong there are many among us who can pay for services but elect not to do so.

3. SOCIO ECONOMIC IMPACT OF BUDGET ON THE LOCAL ECONOMY

Councils operating budget will increase with 20.73% on the 2008/2009 budget. Tariffs will increase on an average between 14.33% and 18.17% for households.

Madam Speaker

4 Indigent Subsidy

As part of an ongoing commitment to be responsive to the needs of the poorest of the poor the Indigent subsidy will increase from R190.25 to R216.88 per month which includes 6kl free water and 50 KwH free electricity.

To enjoy this benefit all indigents must reregister on or before 01 October 2009. The painful reality is that many indigents do not come forward and effectively deny themselves this valuable assistance. Maybe this calls for a development of a functional new strategy to identify and force all qualifying indigents to register .

7. **RECOMMENDED**

Madam Speaker

Although there is still a lot of work to be done, it is my submission that this budget will indeed assist in realizing our commitment to deliver quality service to residents as a financially viable Merafong Municipality. The budget will make it possible for us to provide the following to communities:

- Having access to clean water and electricity
- Having access to dignified houses
- Realistic economic growth and job creation
- Realising promotion of the interests of children, persons with disability, youth, women and older people better than before.
-

8. Conclusion

We conclude by thanking
Members of the mayoral committee
All councilors
Ward Committees
MM and Team
The CFO and his Team
Albie
IDP Team
CDW`S and All Stakeholders who are consistent in participation of the IDP/Budget process
It is my humble recommendation that the budget for the medium term expenditure framework for 2009/2010 to 2011 to 2012 be approved and submitted to the Department of Finance as a tool to ensure that we roll our sleeves and work for the people of Merafong.

Revenue by source	Preceding year 2007/2008	Current Year 2008/2009			Medium Term Income and Expenditure Framework		
					Budget Year 2009/2010	Budget Year 2010/2011	Budget Year 2011/2012
Operating Revenue by Source	Audited Actual	Approved Budget	Adjustment Budget	Full Year Forecast	Budget	Budget	Budget
Property rates	59 371 612	79 931 569	79 747 467	79 747 450	82 019 067	86 940 211	92 156 624
Service charges - electricity revenue from tariff billings	82 831 342	121 813 914	113 429 218	113 550 330	151 995 152	161 114 861	170 781 753
Service charges - water revenue from tariff billings	135 453 345	150 649 132	147 560 092	148 025 962	185 729 805	196 873 593	208 686 009
Service charges - sanitation revenue from tariff billings	15 072 310	16 002 080	17 119 749	17 119 500	18 489 329	19 598 689	20 774 610
Service charges - refuse removal from tariff billings	21 611 561	22 979 040	22 930 103	22 852 695	24 764 511	26 250 382	27 825 405
Service charges - other						0	0
Rental of facilities and equipment	941 304	882 597	818 870	818 870	868 002	920 082	975 287
Interest earned - external investmer	9 120 940	7 291 740	10 291 740	11 259 852	7 000 000	7 420 000	7 865 200
Interest earned - outstanding debto	16 530 946	16 144 924	22 050 912	23 965 258	24 256 003	25 711 363	27 254 045
Fines	3 295 320	8 861 025	9 650 396	9 015 985	10 229 420	10 843 185	11 493 776
Licenses and permits	8 160 040					0	0
Income for agency services	245 984					0	0
Government grants & subsidies	145 681 060	436 410 544	436 410 544	436 410 544	401 584 408	1 957 519 810	1 135 357 970
Public contributions & donated or contributed PPE	4 726 965	6 564 053			0	4 010 180	4 250 791
Gains on Sale of Assets	1 483 254	5 055 486	1 581 514	1 035 962	3 500 000	1 590 000	1 685 000
Operating Income	16 553 369	14 060 816	12 960 145	11 852 965	10 396 259	14 562 019	15 435 740
Total	521 079 353	886 646 920	874 550 750	875 655 373	920 831 956	2 513 354 375	1 724 542 209

Expenditure by Vote	Preceding year 2007/2008	Current Year 2008/2009			Medium Term Income and Expenditure Framework		
					Budget Year 2009/2010	Budget Year 2010/2011	Budget Year 2011/2012
Operating Expenditure by Vote	Audited Actual	Approved Budget	Adjustment Budget	Full Year Forecast	Budget	Budget	Budget
Salaries and Allowances	152 761 047	160 187 460	164 241 988	163 985 698	191 535 188	203 027 299	215 208 938
Renumeration Council	10 262 097	11 760 000	10 910 439	10 910 439	12 219 692	12 952 874	13 730 047
General Expenditure						0	1
Bulk Electricity Purchases	44 018 267	66 628 662	60 342 912	60 258 426	82 405 341	87 349 661	92 590 642
Bulk Water Purchases	96 281 808	107 917 049	100 958 369	101 325 954	116 404 999	123 389 299	130 792 658
Other General Expenses	48 938 750	74 838 914	57 823 644	56 852 759	57 834 768	61 304 854	64 983 146
Repairs and Maintenance	13 282 460	15 968 578	17 443 789	16 929 650	19 188 168	20 339 458	21 559 827
Transfer Depreciation	11 124 718	2 968 000	12 000 000	12 000 000	12 960 000	13 737 600	14 561 857
Contracted Services	21 379 921	32 637 782	27 545 078	27 493 795	33 328 514	35 328 225	37 447 919
Financial Charges	13 452 124	8 480 000	20 736 193	20 736 193	26 856 228	28 467 602	30 175 659
Capital Expenditure		14 840 125	10 016 158	9 729 821	12 021 237	12 742 511	13 507 063
Operating Grants ex Grants	11 132 347		5 036 699	4 902 685	13 282 790	14 079 757	14 924 544
Transfer Reserves	59 958 022	41 454 906	41 454 906	41 454 906	60 042 420	63 644 965	67 463 664
Government grants & subsidies	55 793 470	342 401 391	346 040 575	346 040 575	282 752 611	1 832 980 090	1 003 345 453
Public contributions & donated or contributed PPE		6 564 053				4 010 180	4 250 791
Deficit on Sale of Assets							
Total	538 385 031	886 646 920	874 550 750	872 620 901	920 831 956	2 513 354 376	1 724 542 209

Expenditure by GFS	Preceding year 2007/2008	Current Year 2008/2009			Medium Term Income and Expenditure Framework		
					Budget Year 2009/2010	Budget Year 2010/2011	Budget Year 2011/2012
Operating Expenditure by GFS	**Audited Actual**	**Approved Budget**	**Adjustment Budget**	**Full Year Forecast**	**Budget**	**Budget**	**Budget**
Executive & Council	45 979 445	50 428 307	51 259 875	51 495 458	53 212 841	56 405 976	59 789 948
Finance & Admin	125 293 196	110 266 859	109 815 951	108 659 458	148 049 410	156 932 740	166 348 317
Planning & Development	58 499 552	362 830 074	356 129 854	357 159 730	290 797 223	1 845 512 813	1 016 635 184
Health	24 571 643	1 835 111	1 835 111	1 835 111	2 951 555	3 129 013	3 316 367
Community & Social Services	6 460 664	6 086 654	6 125 852	6 025 854	9 099 700	9 646 047	10 224 423
Housing	5 316 700	3 797 156	3 363 621	3 372 065	4 808 340	5 097 205	5 402 651
Public Safety	20 454 422	34 618 590	34 526 459	33 856 258	22 671 159	24 031 794	25 473 314
Sport and Recreation	17 970 268	19 846 233	19 728 543	19 652 125	22 652 109	24 011 601	25 451 910
Environmental Protection	2 556 757						
Waste Management	23 698 278	26 573 653	26 486 529	26 325 985	26 145 840	27 714 955	29 377 466
Waste Water Management	17 651 445	22 708 820	23 058 952	22 854 236	18 883 545	20 016 923	21 217 551
Road Transport	8 098 455	7 155 418	6 011 216	6 010 472	9 492 822	10 062 756	10 666 135
Water	109 578 095	131 412 846	130 749 258	130 005 459	146 809 696	155 618 643	164 955 374
Electricity	72 256 111	109 087 199	105 459 529	105 368 690	165 257 716	175 173 544	185 683 570
Total	**538 385 031**	**886 646 920**	**874 550 750**	**872 620 901**	**920 831 956**	**2 513 354 010**	**1 724 542 209**

	Preceding year 2007/2008	Current Year 2008/2009			Medium Term Income and Expenditure Framework		
					Budget Year 2009/2010	Budget Year 2010/2011	Budget Year 2011/2012
Capital Expenditure by GFS	Audited Actual	Approved Budget	Adjustment Budget	Full Year Forecast	Budget	Budget	Budget
Executive & Council	1 055 489	300 000	300 000	265 859	2 500 000	0	0
Finance & Admin	1 768 852	3 600 879	3 600 879	3 098 674	5 819 396	44 175 663	153 000 000
Planning & Development	749 281	2 599 338	2 599 338	2 409 765	8 700 000	40 693 432	28 000 000
Health	166 604	0	0		0	0	0
Community & Social Services	844 009	4 792 660	4 792 660	6 453 000	7 400 000	14 900 000	2 500 000
Housing	18 012 284	235 685 576	178 912 590	177 567 234	208 831 612	296 117 500	0
Public Safety	1 825 821	2 750 000	2 750 000	99 400	2 750 000	19 150 000	3 700 000
Sport and Recreation	4 446 758	15 700 500	15 021 378	17 609 541	3 032 683	22 280 000	0
Environmental Protection		0	0	0	0	0	
Waste Management	33 229 003	7 063 291	7 063 291	4 126 985	15 619 570	124 138 000	64 000 000
Waste Water Management		25 540 101	25 540 101	25 569 582	10 625 841	55 800 000	50 000 000
Road Transport	5 369 040	2 545 448	2 545 448	5 825 365	19 450 000	519 503 749	536 656 361
Water	6 277 579	12 504 369	12 504 369	11 325 782	13 240 768	101 004 899	40 352 000
Electricity	14 955 580	29 950 000	9 950	9 950	42 316 662	680 791 720	268 938 800
Total	**88 700 300**	**343 032 162**	**255 640 004**	**254 361 137**	**340 286 532**	**1 918 554 963**	**1 147 147 161**

	Preceding year 2007/2008	Current Year 2008/2009			Medium Term Income and Expenditure Framework		
					Budget Year 2009/2010	Budget Year 2010/2011	Budget Year 2011/2012
Capital Expenditure by GFS	Audited Actual	Approved Budget	Adjustment Budget	Full Year Forecast	Budget	Budget	Budget
National Government							
Amounts allocated / gazetted for that year	29 373 439	35 383 000	35 383 000	35 383 000	45 391 900	64 409 000	55 853 000
Total Grants & Subsidies - National Government	29 373 439	35 383 000	35 383 000	35 383 000	45 391 900	64 409 000	55 853 000
Provincial Government							
Amounts allocated / gazetted for that year	26 420 031	252 380 158	183 211 967	178 784 557	237 360 712	1 741 900 783	914 444 161
Total Grants & Subsidies - Provincial Government	26 420 031	252 380 158	183 211 967	178 784 557	237 360 712	1 741 900 783	914 444 161
District Municipality							
Amounts allocated for that year							
Total Grants & Subsidies - District Municipalities							
Total Government Grants & Subsidies	55 793 470	215 833 879	218 594 967	214 167 557	282 752 612	1 806 309 783	970 297 161
Public Contributions & Donations	3 595 184	1 500 000	7 028 879	10 207 928	0	4 010 180	0
Accumulated Surplus (Own Funds)	**4 938 987**	**15 306 125**	**10 016 158**	**9 985 652**	**22 533 920**	**52 435 000**	**3 370 000**
External Loans	24 372 659	33 500 000	20 000 000	20 000 000	35 000 000	55 800 000	173 480 000
TOTAL FUNDING OF CAPITAL EXPENDITURE	88 700 300	266 140 004	255 640 004	254 361 137	340 286 532	1 918 554 963	1 147 147 161

	Preceding year 2007/2008	Current Year 2008/2009			Medium Term Income and Expenditure Framework		
					Budget Year 2009/2010	Budget Year 2010/2011	Budget Year 2011/2012
INVESTMENT PARTICULARS BY TYPE	**Audited Actual**	**Approved Budget**	**Adjustment Budget**	**Full Year Forecast**	**Budget**	**Budget**	**Budget**
Investment Type							
Securities - National Government							
Listed Corporate Bonds							
Deposits - Banks	20 386 342	36 615 812	19 000 000	185 659 524	36 615 812	36 615 812	36 615 812
Deposits - Public Investment Commissioners							
Deposits - Corporation for Public Deposits							
Bankers Acceptance Certificates							
Negotiable Certificate of Deposit - Banks							
Guaranteed Endowment Policies (sinking funds)							
Repurchase Agreements - Banks							
Municipal Bonds							
Total	**20 386 342**	**36 615 812**	**19 000 000**	**185 659 524**	**36 615 812**	**36 615 812**	**36 615 812**

Investment Particulars by Maturity	Period of Investment	Type of Investment	Expiry date of Investment	Monetary Value	Interest to be Realised
FBC Fidelity Investment	10 years	Fixed Deposit	24/10/2008	R 10 305 118	R 716 207
INCA	10 years	Fixed Deposit	30/06/2011	R 9 921 333	R 936 930
SANLAM Shares				R 159 891	
				R 20 386 342	**R 1 653 137**

Disclosure of Salaries, Allowances and Benefits	Salary	Social Contributions	Allowances	Performance Bonusses	Total Package
Councillors					
Executive Mayor	597 818				**597 818**
Speaker	448 363				**448 363**
Member of mayoral committee	448 363				**448 363**
Councillors	179 345				**179 345**
Total Mayoral Committee member 8	3 586 907	0	0		**3 586 907**
Total ordinary councillors 42	7 532 487	0	0		**7 532 487**
Officials of the Municipality					
Municipal Manager	967 070		0	116 048	**1 083 118**
Chief Operating Officer	790 908			94 909	**885 817**
Chief Financial Officer	790 908			94 909	**885 817**
Manager in the Office of the Municipal Manager	790 908			94 909	**885 817**
Strategic Executive Civil Engineering	790 908			94 909	**885 817**
Strategic Executive Electrical	790 908			94 909	**885 817**
Strategic Executive Community Services	790 908			94 909	**885 817**
Total Cost of Remuneration to Municipality	**16 831 912**	**0**	**0**	**685 502**	**17 517 415**

TABLE 5	2008/09							2009/10							2010/11						
	Appropriations			Funding			Surplus /	Appropriations			Funding			Surplus /	Appropriations			Funding			Surplus /
SUMMARY OF REV & EXP BY VOTE	Capital R'000	Operating R'000	Total R'000	Own Source R'000	External R'000	Total R'000	(Deficit) R'000	Capital R'000	Operating R'000	Total R'000	Own Source R'000	External R'000	Total R'000	(Deficit) R'000	Capital R'000	Operating R'000	Total R'000	Own Source R'000	External R'000	Total R'000	(Deficit) R'000
Executive & Council	2 500 000	53 212 841	55 712 841					0	56 405 976	56 405 976					0	59 789 948	59 789 948				
Finance & Admin	5 819 396	148 049 410	153 868 806					44 175 663	156 932 740	201 108 403					153 000 000	166 348 317	319 348 317				
Planning and Development	8 700 000	290 797 223	299 497 223					40 693 432	1 845 512 813	1 886 206 245					28 000 000	##########	##########				
Health	0	2 951 555	2 951 555					0	3 129 013	3 129 013					0	3 316 367	3 316 367				
Community & Social Services	7 400 000	9 099 700	16 499 700					14 900 000	9 646 047	24 546 047					2 500 000	10 224 423	12 724 423				
Housing	208 831 612	4 808 340	213 639 952					296 117 500	5 097 205	301 214 705					0	5 402 651	5 402 651				
Public Safety	2 750 000	22 671 159	25 421 159					19 150 000	24 031 794	43 181 794					3 700 000	25 473 314	29 173 314				
Sport & Recreation	3 032 683	22 652 109	25 684 792					22 280 000	24 011 601	46 291 601					0	25 451 910	25 451 910				
Environmental Protection	0	0	0					0	0	0					0	0	0				
Waste Management	15 619 570	26 145 840	41 765 410					124 138 000	27 714 955	151 852 955					64 000 000	29 377 466	93 377 466				
Waste Water Management	10 625 841	18 883 545	29 509 386					55 800 000	20 016 923	75 816 923					50 000 000	21 217 551	71 217 551				
Road Transport	19 450 000	9 492 822	28 942 822					519 503 749	10 062 756	529 566 505					536 656 361	10 666 135	547 322 496				
Water	13 240 768	146 809 696	160 050 464					101 004 899	155 618 643	256 623 542					40 352 000	164 955 374	205 307 374				
Electricity	42 316 662	165 257 716	207 574 378					680 791 720	175 173 544	855 965 264					268 938 800	185 683 570	454 622 370				
TOTAL	340 286 532	920 831 956	1 261 118 488	0	0	0	0	1 918 554 963	2 513 354 010	4 431 908 973	0	0	0	0	##########	##########	##########	0	0	0	0

EXAMPLE TABLE 1 REVENUE BY SOURCE	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
					Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
Revenue by Source							
Property rates	59 371 612	79 931 569	79 747 467	79 747 450	82 019 067	86 940 211	92 156 624
Service charges - electricity revenue from tariff billings	82 831 342	121 813 914	113 429 218	113 550 330	147 457 983	156 305 462	165 683 790
Service charges - water revenue from tariff billings	135 453 345	150 649 132	147 560 092	148 025 962	185 729 805	196 873 593	208 686 009
Service charges - sanitation revenue from tariff billings	15 072 310	16 002 080	17 119 749	17 119 500	18 489 329	19 598 689	20 774 610
Service charges - refuse removal from tariff billings	21 611 561	22 979 040	22 930 103	22 852 695	24 764 511	26 250 382	27 825 405
Service charges - other						0	0
Rental of facilities and equipment	941 304	882 597	818 870	818 870	868 002	920 082	975 287
Interest earned - external investments	9 120 940	7 291 740	10 291 740	11 259 852	7 000 000	7 420 000	7 865 200
Interest earned - outstanding debtors	16 530 946	16 144 924	22 050 912	23 965 258	24 256 003	25 711 363	27 254 045
Fines	3 295 320	8 861 025	9 650 396	9 015 985	10 229 420	10 843 185	11 493 776
Licenses and permits	8 160 040					0	0
Income for agency services	245 984					0	0
Government grants & subsidies	145 681 060	436 410 544	436 410 544	436 410 544	401 584 408	1 957 519 810	1 135 357 970
Public contributions & donated or contributed PPE	4 726 965	6 564 053			0	4 010 180	4 250 791
Gains on Sale of Assets	1 483 254	5 055 486	1 581 514	1 035 962	3 500 000	1 590 000	1 685 000
Operating Income	16 553 369	14 060 816	12 960 145	11 852 965	10 396 259	14 562 019	15 435 740
Total Revenue By Source	**521 079 353**	**886 646 920**	**874 550 750**	**875 655 373**	**916 294 787**	**2 508 544 976**	**1 719 444 246**

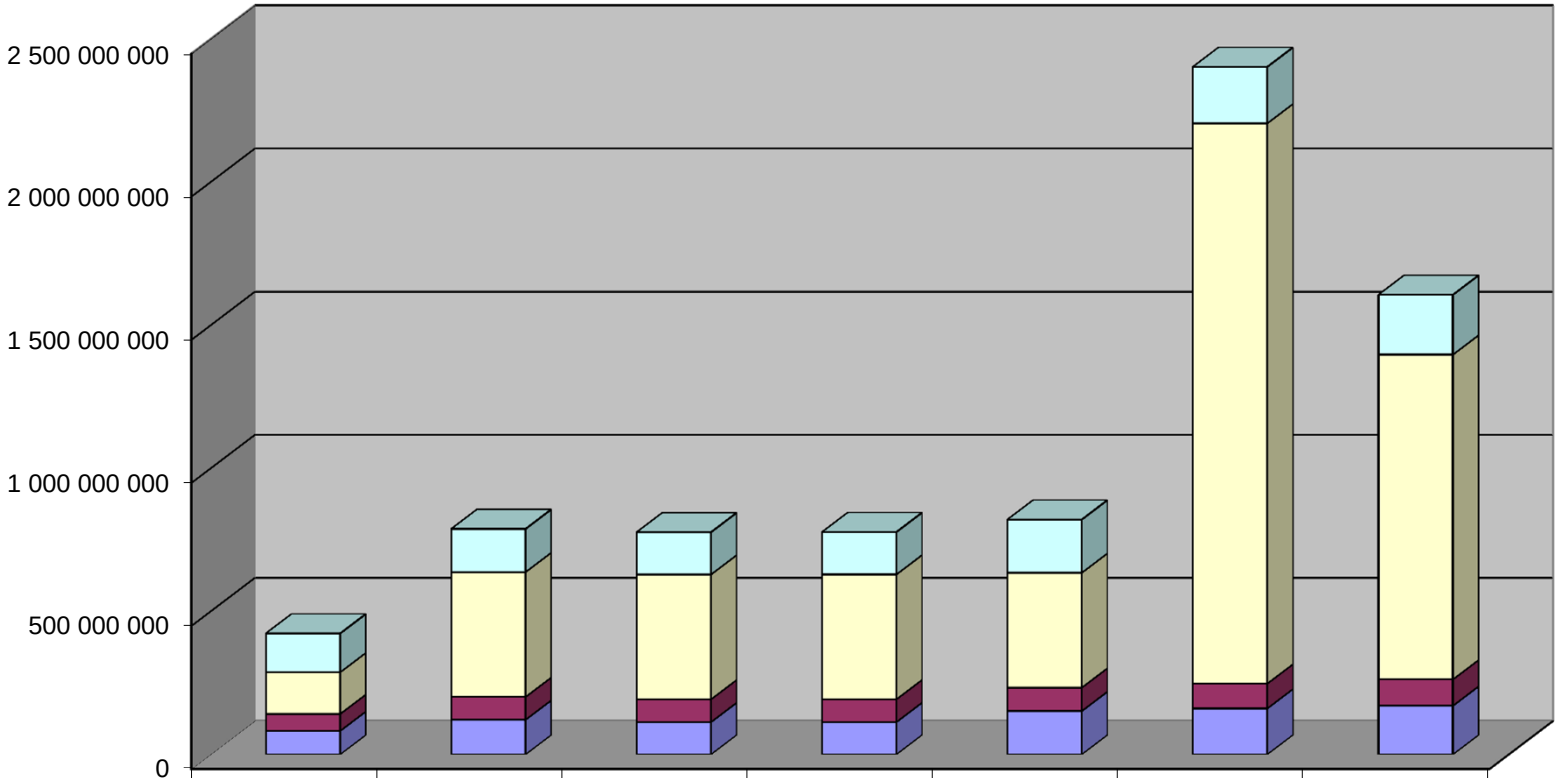
Column Definitions:

A. The audited actual for 2004/05 as per the audited financial statements. If audit figures are not available for 2004/05, pre audit figures must be provided with a note stating these are pre audit.
B. The original budget approved by council for the 2005/06 budget year.
C. The budget for 2005/06 budget year as adjusted by council resolution in terms of section 28 of the MFMA.
D. An estimate of final actual figures (pre audit) for the 2005/06 budget year at the point in time of preparing the budget for the 2006/07 budget year. This may differ from C.
E. The amount to be appropriated for the 2006/07 budget year.
F. The indicative projection for 2007/08
G. The indicative projection for 2008/09

Notes:

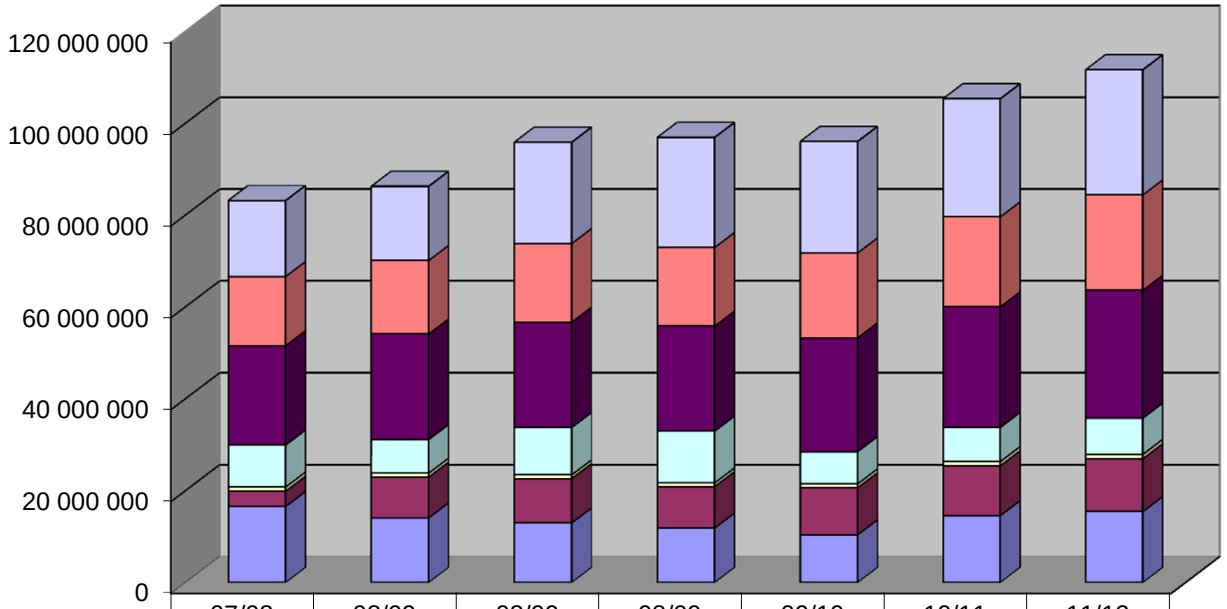
1. This table and the associated charts are examples only.
2. The sources listed here have been adapted from the specimen statement of financial performance.
3. Note that there is **no** classification for **"other"** in this example. Sources not applicable have been deleted. Municipalities should ensure that all sources are displayed separately except where other is used as per note 5 below.
4. If other is used, each individual source must be less than or equal to 2.5% of total revenue by source to ensure greatest possible information content for users.
5. Note that in this example Regional Service levies have ceased for 2006/07 onwards and grants and subsidies have been increased appropriately.
6. Refer Charts ('Rev by Major Source' and 'Rev by Minor Source' - pages 21 & 22). This example split shows smaller amounts on a separate chart to ensure that all classifications are explained without distorting the main chart.
7. Note that totals agree to totals on Annexure 4, Table 1 reconciling the IDP and Budget for Revenue (page 35)
8. The example charts displayed show the relevant data tables ranked in order from highest to lowest (bottom to top) in the same way the chart displays the stacked columns from highest to lowest.

Revenue by Major Source (see next chart for break down of other)



	07/08 Audit	08/09 Bud	08/09 Adj	08/09 Est	09/10 Bud	10/11 Proj	11/12 Proj
Water tariffs	135 453 345	150 649 132	147 560 092	148 025 962	185 729 805	196 873 593	208 686 009
Grants & subsidies	145 681 060	436 410 544	436 410 544	436 410 544	401 584 408	1 957 519 810	1 135 357 970
Property rates	59 371 612	79 931 569	79 747 467	79 747 450	82 019 067	86 940 211	92 156 624
Electricity tariffs	82 831 342	121 813 914	113 429 218	113 550 330	151 995 152	161 114 861	170 781 753

Revenue By Minor Source (break down of other from previous chart)



	07/08 Audit	08/09 Bud	08/09 Adj	08/09 Est	09/10 Bud	10/11 Proj	11/12 Proj
Interest earned - outstanding debtors	16 530 946	16 144 924	22 050 912	23 965 258	24 256 003	25 711 363	27 254 045
Sanitation tariffs	15 072 310	16 002 080	17 119 749	17 119 500	18 489 329	19 598 689	20 774 610
Refuse tariffs	21 611 561	22 979 040	22 930 103	22 852 695	24 764 511	26 250 382	27 825 405
Interest earned - external investments	9 120 940	7 291 740	10 291 740	11 259 852	7 000 000	7 420 000	7 865 200
Rental of facilities and equipment	941 304	882 597	818 870	818 870	868 002	920 082	975 287
Fines	3 295 320	8 861 025	9 650 396	9 015 985	10 229 420	10 843 185	11 493 776
Other Income	16 553 369	14 060 816	12 960 145	11 852 965	10 396 259	14 562 019	15 435 740

EXAMPLE TABLE 6 OPERATING EXPENDITURE BY TYPE	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
					Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
Operating Expenditure by Type							
Salaries and Allowances	152 761 047	160 187 460	164 241 988	163 985 698	187 958 911	199 236 446	211 190 633
Renumeration Council	10 262 097	11 760 000	10 910 439	10 910 439	12 219 692	12 952 874	13 730 047
General Expenditure						0	1
Bulk Electricity Purchases	44 018 267	66 628 662	60 342 912	60 258 426	85 686 935	90 828 151	96 277 841
Bulk Water Purchases	96 281 808	107 917 049	100 958 369	101 325 954	116 404 999	123 389 299	130 792 658
Other General Expenses	48 938 750	74 838 914	57 823 644	56 852 759	58 585 075	62 100 180	65 826 191
Repairs and Maintenance	13 282 460	15 968 578	17 443 789	16 929 650	19 188 168	20 339 458	21 559 827
Transfer Depreciation	11 124 718	2 968 000	12 000 000	12 000 000	12 960 000	13 737 600	14 561 857
Contracted Services	21 379 921	32 637 782	27 545 078	27 493 795	29 197 783	30 949 650	32 806 630
Financial Charges	13 452 124	8 480 000	20 736 193	20 736 193	26 856 228	28 467 602	30 175 659
Capital Expenditure		14 840 125	10 016 158	9 729 821	12 021 237	12 742 511	13 507 063
Operating Grants ex Grants	11 132 347		5 036 699	4 902 685	13 282 790	14 079 757	14 924 544
Transfer Reserves	59 958 022	41 454 906	41 454 906	41 454 906	59 180 358	62 731 179	66 495 051
Government grants & subsidies	55 793 470	342 401 391	346 040 575	346 040 575	282 752 611	1 832 980 090	1 003 345 453
Public contributions & donated or contributed PPE		6 564 053				14 562 019	15 435 740
Deficit on Sale of Assets							
Total Operating Expenditure By Type	**538 385 031**	**886 646 920**	**874 550 750**	**872 620 901**	**916 294 787**	**2 519 096 816**	**1 730 629 195**

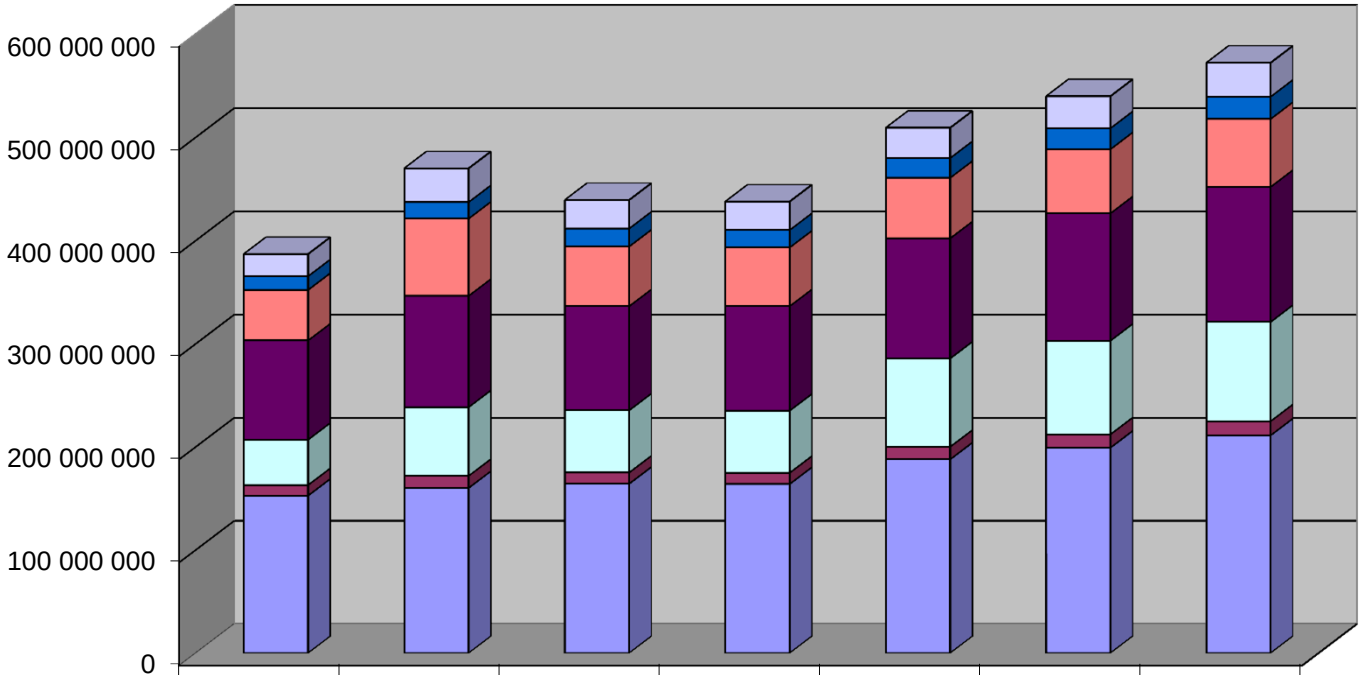
Column Definitions:

A. The audited actual for 2004/05 as per the audited financial statements. If audit figures are not available for 2004/05, pre audit figures must be provided with a note stating these are pre audit.
B. The original budget approved by council for the 2005/06 budget year.
C. The budget for 2005/06 budget year as adjusted by council resolution in terms of section 28 of the MFMA.
D. An estimate of final actual figures (pre audit) for the 2005/06 budget year at the point in time of preparing the budget for the 2006/07 budget year. This may differ from C.
E. The amount to be appropriated for the 2006/07 budget year.
F. The indicative projection for 2007/08
G. The indicative projection for 2008/09

Notes:

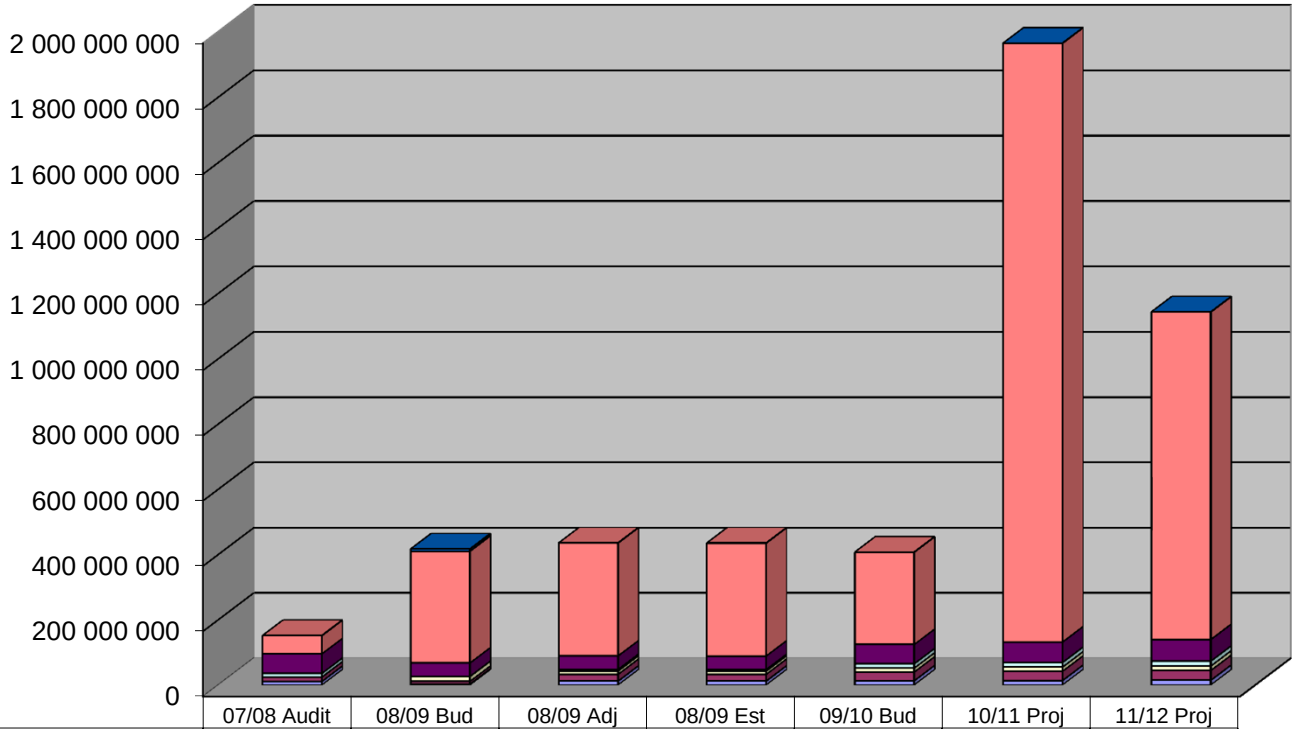
1. The line items are as per the specimen financial statements. However, for useful information to be provided **"general expenses"** must be broken down further. This example shows example items comprising "general expenses".
2. Refer to charts on pages 33 and 34.
3. This agrees to Operating expenditure by Vote shown on page 23 and Operating expenditure classified by IDP goals etc on page 36.
4. The example charts displayed show the relevant data tables ranked in order from highest to lowest (bottom to top) in the same way the chart displays the stacked columns from highest to lowest.

Operating Expenditure by Major Type (see next chart for break down of other)



	07/08 Audit	08/09 Bud	08/09 Adj	08/09 Est	09/10 Bud	10/11 Proj	11/12 Proj
Contracted Services	21 379 921	32 637 782	27 545 078	27 493 795	29 197 783	30 949 650	32 806 630
Repairs and Maintenance	13 282 460	15 968 578	17 443 789	16 929 650	19 188 168	20 339 458	21 559 827
Other General Expenses	48 938 750	74 838 914	57 823 644	56 852 759	58 585 075	62 100 180	65 826 191
Bulk Water Purchases	96 281 808	107 917 049	100 958 369	101 325 954	116 404 999	123 389 299	130 792 658
Bulk Electricity Purchases	44 018 267	66 628 662	60 342 912	60 258 426	85 686 935	90 828 151	96 277 841
Renumeration Council	10 262 097	11 760 000	10 910 439	10 910 439	12 219 692	12 952 874	13 730 047
Salaries and Allowances	152 761 047	160 187 460	164 241 988	163 985 698	187 958 911	199 236 446	211 190 633

Operating Expenditure by Minor Type (break down of other from previous chart)



	07/08 Audit	08/09 Bud	08/09 Adj	08/09 Est	09/10 Bud	10/11 Proj	11/12 Proj
Public contributions & donated or contributed PPE		6 564 053				0	0
Government grants & subsidies	55 793 470	342 401 391	346 040 575	346 040 575	282 752 611	1 832 980 090	1 003 345 453
Transfer Reserves	59 958 022	41 454 906	41 454 906	41 454 906	59 180 358	62 731 179	66 495 051
Operating Grants ex Grants	11 132 347		5 036 699	4 902 685	13 282 790	14 079 757	14 924 544
Capital Expenditure		14 840 125	10 016 158	9 729 821	12 021 237	12 742 511	13 507 063
Financial Charges	13 452 124	8 480 000	20 736 193	20 736 193	26 856 228	28 467 602	30 175 659
Transfer Depreciation	11 124 718	2 968 000	12 000 000	12 000 000	12 960 000	13 737 600	14 561 857

EXAMPLE TABLE 2 OPERATING EXPENDITURE BY VOTE	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
					Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
Executive & Council	45 979 445	50 428 307	51 259 875	51 495 458	53 212 841	56 405 976	59 789 948
Finance & Admin	125 293 196	110 266 859	109 815 951	108 659 458	148 049 410	156 932 740	166 348 317
Planning & Development	58 499 552	362 830 074	356 129 854	357 159 730	290 797 223	1 845 512 813	1 016 635 184
Health	24 571 643	1 835 111	1 835 111	1 835 111	2 951 555	3 129 013	3 316 367
Community & Social Services	6 460 664	6 086 654	6 125 852	6 025 854	9 099 700	9 646 047	10 224 423
Housing	5 316 700	3 797 156	3 363 621	3 372 065	4 808 340	5 097 205	5 402 651
Public Safety	20 454 422	34 618 590	34 526 459	33 856 258	22 671 159	24 031 794	25 473 314
Sport and Recreation	17 970 268	19 846 233	19 728 543	19 652 125	22 652 109	24 011 601	25 451 910
Environmental Protection	2 556 757						
Waste Management	23 698 278	26 573 653	26 486 529	26 325 985	26 145 840	27 714 955	29 377 466
Waste Water Management	17 651 445	22 708 820	23 058 952	22 854 236	18 883 545	20 016 923	21 217 551
Road Transport	8 098 455	7 155 418	6 011 216	6 010 472	9 492 822	10 062 756	10 666 135
Water	109 578 095	131 412 846	130 749 258	130 005 459	146 809 696	155 618 643	164 955 374
Electricity	72 256 111	109 087 199	105 459 529	105 368 690	165 257 716	175 173 544	185 683 570
OPERATING EXPENDITURE BY VOTE	**538 385 031**	**886 646 920**	**874 550 750**	**872 620 901**	**920 831 956**	**2 513 354 010**	**1 724 542 210**

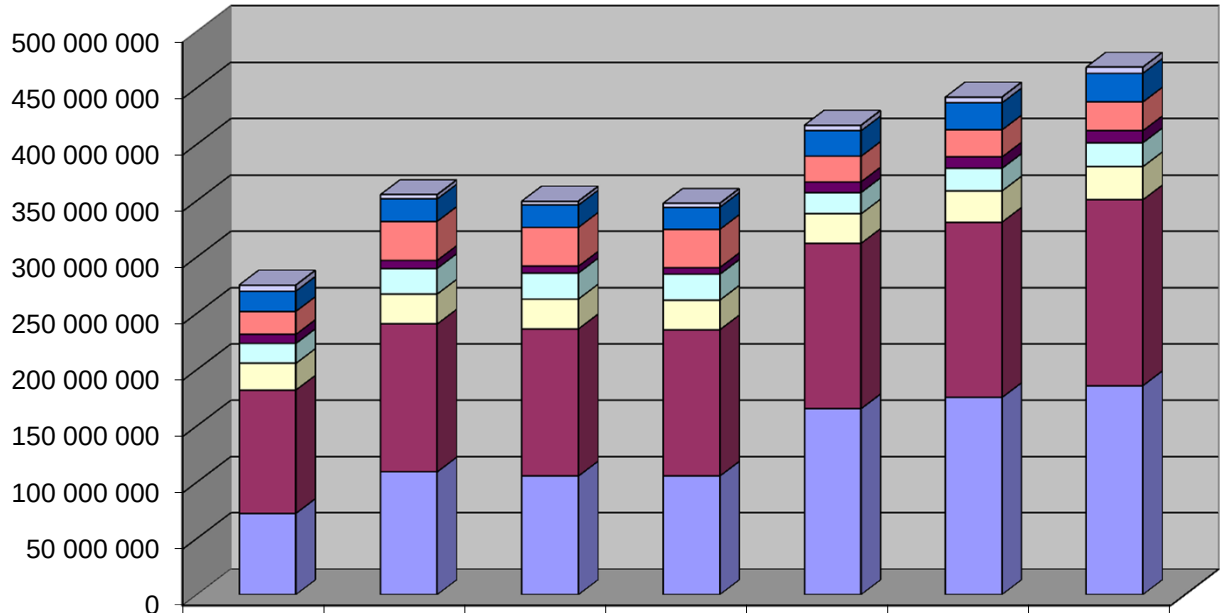
Column Definitions:

A. The audited actual for 2004/05 as per the audited financial statements. If audit figures are not available for 2004/05, pre audit figures must be provided with a note stating these are pre audit.
B. The original budget approved by council for the 2005/06 budget year.
C. The budget for 2005/06 budget year as adjusted by council resolution in terms of section 28 of the MFMA.
D. An estimate of final actual figures (pre audit) for the 2005/06 budget year at the point in time of preparing the budget for the 2006/07 budget year. This may differ from C.
E. The amount to be appropriated for the 2006/07 budget year.
F. The indicative projection for 2007/08
G. The indicative projection for 2008/09

Notes:

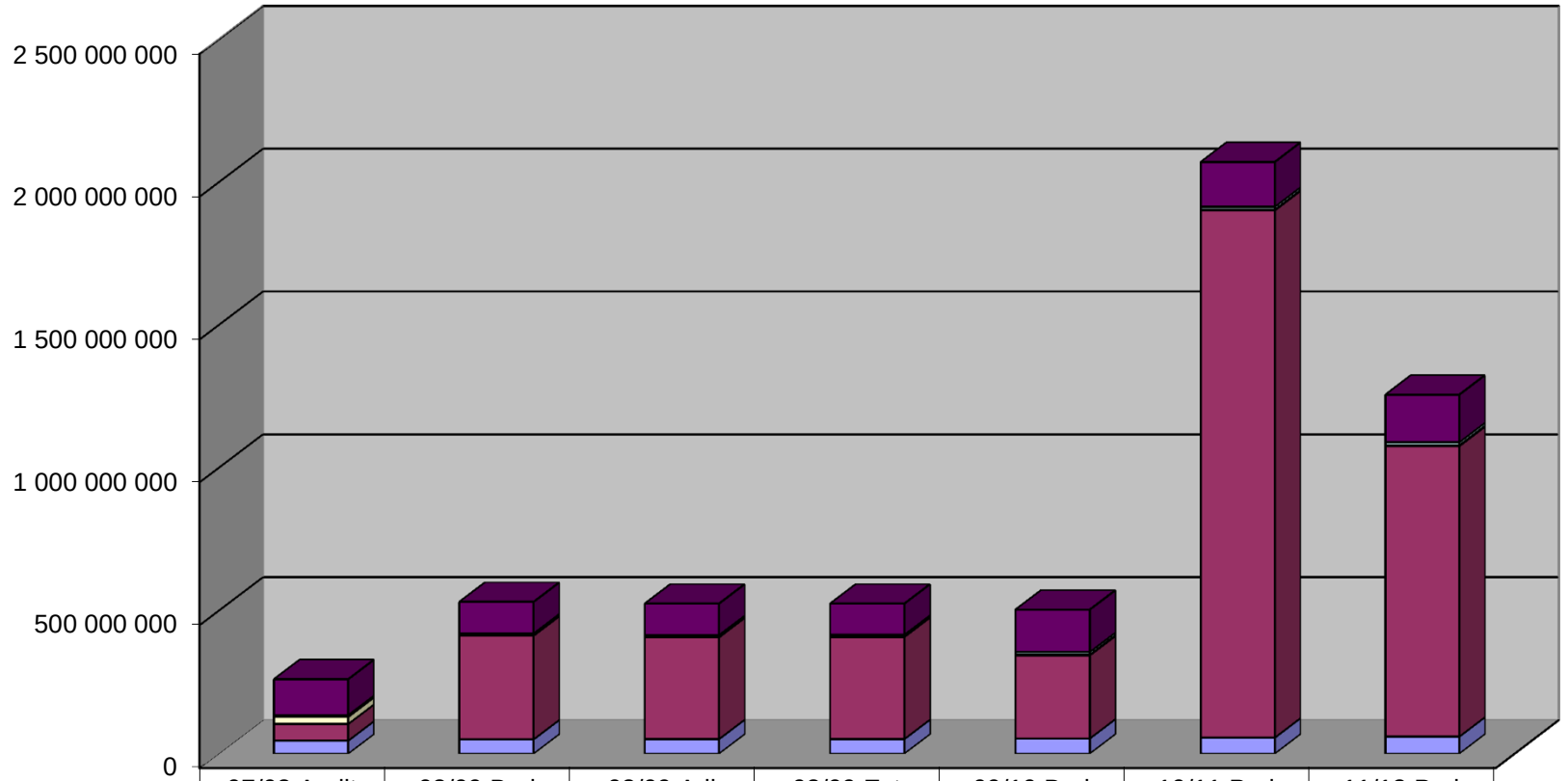
1. This table and the associated charts are examples only.
2. The votes listed here are the GFS functions (i.e. in this example the municipality has elected to show the GFS functions as its votes and is therefore not required to complete and approve schedule 2(a).
3. All budgeted amounts must be classified under a particular vote. **Do not use "other"**. Where the function falls within the GFS function "Other", Use the GFS sub-function classification.
4. Refer Charts (Opex by Major vote and Opex by Minor Vote - pages 24 & 25). This example split shows smaller amounts on a separate chart to ensure that all classifications are explained without distorting the main chart.
5. Note that totals agree to totals on Annexure 4, Table 2 reconciling the IDP and Budget for Operating Expenditure (page 36)
6. The example charts displayed show the relevant data tables ranked in order from highest to lowest (bottom to top) in the same way the chart displays the stacked columns from highest to lowest.

Operating Expenditure by Major Vote (see next chart for breakdown of other)



	07/08 Audit	08/09 Bud	08/09 Adj	08/09 Est	09/10 Bud	10/11 Proj	11/12 Proj
Housing	5 316 700	3 797 156	3 363 621	3 372 065	4 808 340	5 097 205	5 402 651
Sport and Recreation	17 970 26	19 846 23	19 728 54	19 652 12	22 652 10	24 011 60	25 451 91
Public Safety	20 454 42	34 618 59	34 526 45	33 856 25	22 671 15	24 031 79	25 473 31
Road Transport	8 098 455	7 155 418	6 011 216	6 010 472	9 492 822	10 062 75	10 666 13
Waste Water Management	17 651 44	22 708 82	23 058 95	22 854 23	18 883 54	20 016 92	21 217 55
Waste Management	23 698 27	26 573 65	26 486 52	26 325 98	26 145 84	27 714 95	29 377 46
Water	109 578 0	131 412 8	130 749 2	130 005 4	146 809 6	155 618 6	164 955 3
Electricity	72 256 11	109 087 1	105 459 5	105 368 6	165 257 7	175 173 5	185 683 5

Operating Expenditure by Minor Vote (breakdown of other from previous chart)



	07/08 Audit	08/09 Bud	08/09 Adj	08/09 Est	09/10 Bud	10/11 Proj	11/12 Proj
Finance & Admin	125 293 196	110 266 859	109 815 951	108 659 458	148 049 410	156 932 740	166 348 317
Community & Social Services	6 460 664	6 086 654	6 125 852	6 025 854	9 099 700	9 646 047	10 224 423
Health	24 571 643	1 835 111	1 835 111	1 835 111	2 951 555	3 129 013	3 316 367
Planning & Development	58 499 552	362 830 074	356 129 854	357 159 730	290 797 223	1 845 512 813	1 016 635 184
Executive & Council	45 979 445	50 428 307	51 259 875	51 495 458	53 212 841	56 405 976	59 789 948

CAPITAL EXPENDITURE BY VOTE	Preceding year 2007/2008	Current Year 2008/2009			Medium Term Income and Expenditure Framework		
					Budget Year 2009/2010	Budget Year 2010/2011	Budget Year 2011/2012
	Audited Actual	Approved Budget	Adjusted Budget	Full Year Forecast	Budget	Budget	Budget
Executive & Council	1 055 489	300 000	300 000	265 859	0	0	0
Finance & Admin	1 768 852	3 600 879	3 600 879	3 098 674	5 819 396	44 175 663	153 000 000
Planning & Development	749 281	2 599 338	2 599 338	2 409 765	8 700 000	40 693 432	28 000 000
Health	166 604	0	0		0	0	0
Community & Social Services	844 009	4 792 660	4 792 660	6 453 000	7 400 000	14 900 000	2 500 000
Housing	18 012 284	235 685 576	178 912 590	177 567 234	208 831 612	296 117 500	0
Public Safety	1 825 821	2 750 000	2 750 000	99 400	2 750 000	19 150 000	3 700 000
Sport and Recreation	4 446 758	15 700 500	15 021 378	17 609 541	3 032 683	22 280 000	0
Environmental Protection		0	0	0	0	0	
Waste Management	33 229 003	7 063 291	7 063 291	4 126 985	15 619 570	124 138 000	64 000 000
Waste Water Management		25 540 101	25 540 101	25 569 582	10 625 841	55 800 000	50 000 000
Road Transport	5 369 040	2 545 448	2 545 448	5 825 365	19 450 000	519 503 749	536 656 361
Water	6 277 579	12 504 369	12 504 369	11 325 782	13 240 768	101 004 899	40 352 000
Electricity	14 955 580	29 950 000	9 950	9 950	42 316 662	680 791 720	268 938 800
CAPITAL EXPENDITURE BY VOTE	**88 700 300**	**343 032 162**	**255 640 004**	**254 361 137**	**337 786 532**	**1 918 554 963**	**1 147 147 161**

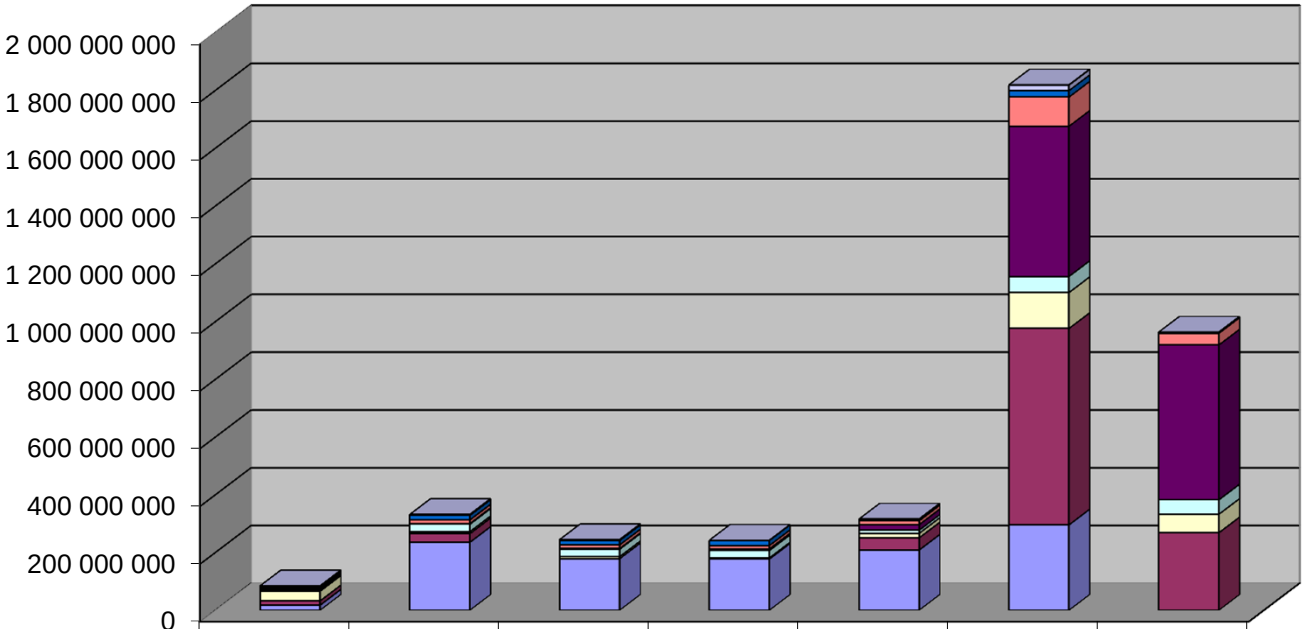
Column Definitions:

A. The audited actual for 2004/05 as per the audited financial statements. If audit figures are not available for 2004/05, pre audit figures must be provided with a note stating these are pre audit.
B. The original budget approved by council for the 2005/06 budget year.
C. The budget for 2005/06 budget year as adjusted by council resolution in terms of section 28 of the MFMA.
D. An estimate of final actual figures (pre audit) for the 2005/06 budget year at the point in time of preparing the budget for the 2006/07 budget year. This may differ from C.
E. The amount to be appropriated for the 2006/07 budget year.
F. The indicative projection for 2007/08
G. The indicative projection for 2008/09

Notes:

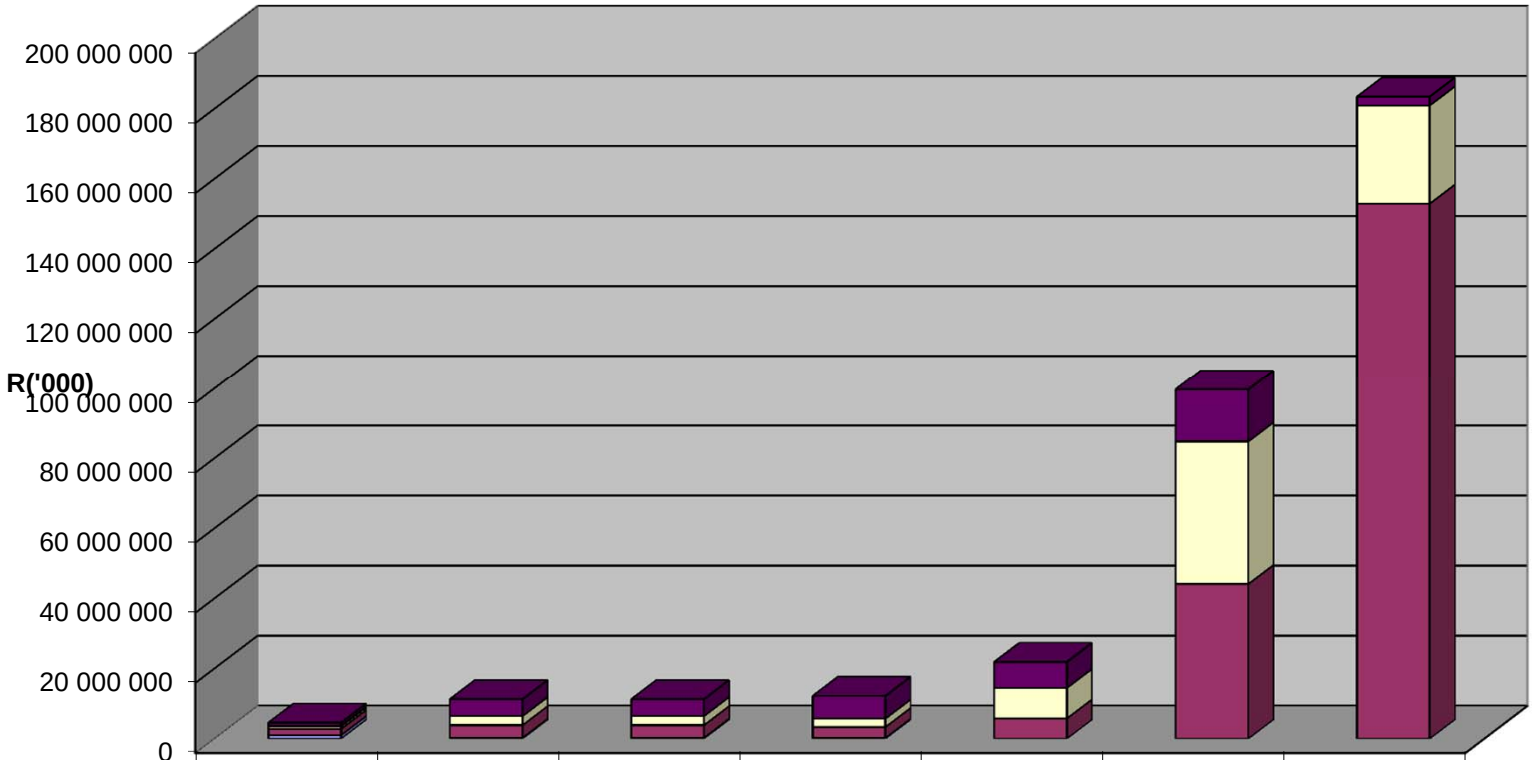
1. This table and the associated charts are examples only.
2. The votes listed here are the GFS functions (i.e. in this example the municipality has elected to show the GFS functions as its votes and is therefore not required to complete and approve schedule 3(a).
3. All budgeted amounts must be classified under a particular vote. **Do not use "other"**. Where the function falls within the GFS function "Other", Use the GFS sub-function classification.
4. Refer Charts (Capex by Major Vote and Capex by Minor Vote - pages 27 & 28). This example split shows smaller amounts on a separate chart to ensure that all classifications are explained without distorting the main chart.
5. Note that totals agree to totals on Annexure 4, Table 3 reconciling the IDP and Budget for Capital Expenditure (page 37)
6. The example charts displayed show the relevant data tables ranked in order from highest to lowest (bottom to top) in the same way the chart displays the stacked columns from highest to lowest.

Capital Expenditure by Major Vote (see next chart for breakdown of other)



	07/08 Audit	08/09 Bud	08/09 Adj	08/09 Est	09/10 Bud	10/11 Proj	11/12 Proj
Public Safety	1 825 821	2 750 000	2 750 000	99 400	2 750 000	19 150 000	3 700 000
Sport and Recreation	4 446 758	15 700 500	15 021 378	17 609 541	3 032 683	22 280 000	0
Water	6 277 579	12 504 369	12 504 369	11 325 782	13 240 768	101 004 899	40 352 000
Road Transport	5 369 040	2 545 448	2 545 448	5 825 365	19 450 000	519 503 749	536 656 361
Waste Water Management		25 540 101	25 540 101	25 569 582	10 625 841	55 800 000	50 000 000
Waste Management	33 229 003	7 063 291	7 063 291	4 126 985	15 619 570	124 138 000	64 000 000
Electricity	14 955 580	29 950 000	9 950	9 950	42 316 662	680 791 720	268 938 800
Housing	18 012 284	235 685 576	178 912 590	177 567 234	208 831 612	296 117 500	0

Capital Expenditure by Minor Vote (breakdown of other from previous chart)



	07/08 Audit	08/09 Bud	08/09 Adj	08/09 Est	09/10 Bud	10/11 Proj	11/12 Proj
Community & Social Services	844 009	4 792 660	4 792 660	6 453 000	7 400 000	14 900 000	2 500 000
Health	166 604	0	0		0	0	0
Planning & Development	749 281	2 599 338	2 599 338	2 409 765	8 700 000	40 693 432	28 000 000
Finance & Admin	1 768 852	3 600 879	3 600 879	3 098 674	5 819 396	44 175 663	153 000 000
Executive & Council	1 055 489	300 000	300 000	265 859	0	0	0

EXAMPLE TABLE 4 CAPITAL FUNDING BY SOURCE	Preceding Year 2007/08	Current Year 2008/09			Medium Term Revenue and Expenditure Framework		
					Budget Year 2009/10	Budget Year +1 2010/11	Budget Year +2 2011/12
	Audited Actual R'000 A	Approved Budget R'000 B	Adjusted Budget R'000 C	Full Year Forecast R'000 D	Budget R'000 E	Budget R'000 F	Budget R'000 G
National Government							
Amounts allocated / gazetted for that year	29 373 439	35 383 000	35 383 000	35 383 000	45 391 900	64 409 000	55 853 000
Amounts carried over from previous years	0	0	0	0	0	0	0
Total Grants & Subsidies - National Government	**29 373 439**	**35 383 000**	**35 383 000**	**35 383 000**	**45 391 900**	**64 409 000**	**55 853 000**
Provincial Government							
Amounts allocated / gazetted for that year	26 420 031	252 380 158	183 211 967	178 784 557	237 360 712	1 741 900 783	914 444 161
Amounts carried over from previous years		0			0	0	0
Total Grants & Subsidies - Provincial Government	**26 420 031**	**252 380 158**	**183 211 967**	**178 784 557**	**237 360 712**	**1 741 900 783**	**914 444 161**
District Municipality							
Amounts allocated for that year	0	0	0	0	0	0	0
Amounts carried over from previous years	0	0	0	0	0	0	0
Total Grants & Subsidies - District Municipalities	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Government Grants & Subsidies	**55 793 470**	**287 763 158**	**218 594 967**	**214 167 557**	**282 752 612**	**1 806 309 783**	**970 297 161**
Public Contributions & Donations	**3 595 184**	**1 500 000**	**7 028 879**	**10 207 928**	**0**	**4 010 180**	**0**
Accumulated Surplus (Own Funds)	**4 938 987**	**15 306 125**	**10 016 158**	**9 985 652**	**22 533 920**	**52 435 000**	**3 370 000**
External Loans	**24 372 659**	**33 500 000**	**20 000 000**	**20 000 000**	**35 000 000**	**55 800 000**	**173 480 000**
TOTAL FUNDING OF CAPITAL EXPENDITURE	**88 700 300**	**338 069 283**	**255 640 004**	**254 361 137**	**340 286 532**	**1 918 554 963**	**1 147 147 161**

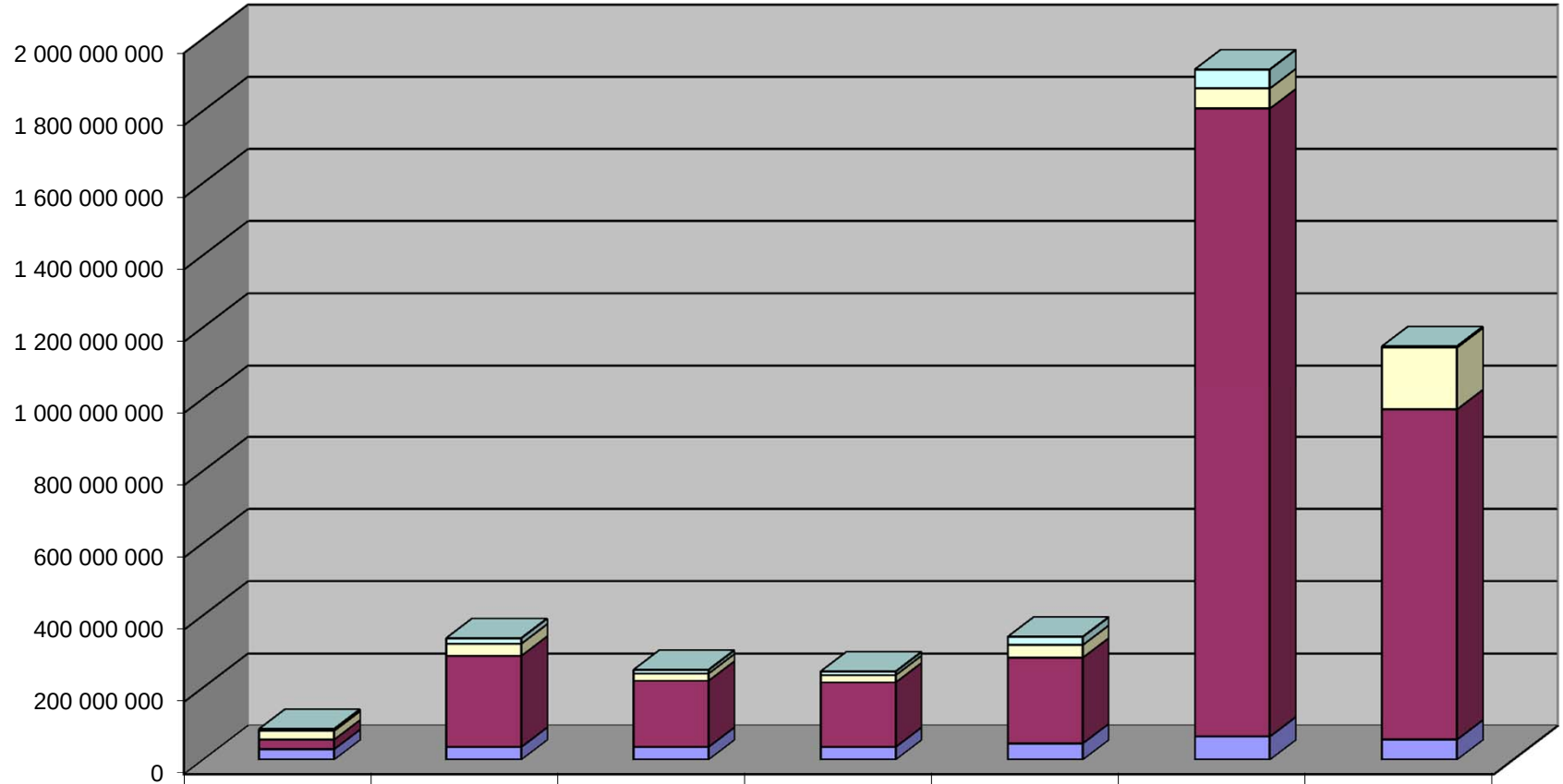
Column Definitions:

A. The audited actual for 2004/05 as per the audited financial statements. If audit figures are not available for 2004/05, pre audit figures must be provided with a note stating these are pre audit.
B. The original budget approved by council for the 2005/06 budget year.
C. The budget for 2005/06 budget year as adjusted by council resolution in terms of section 28 of the MFMA.
D. An estimate of final actual figures (pre audit) for the 2005/06 budget year at the point in time of preparing the budget for the 2006/07 budget year. This may differ from C.
E. The amount to be appropriated for the 2006/07 budget year.
F. The indicative projection for 2007/08
G. The indicative projection for 2008/09

Notes:

1. All municipalities must follow the format above for standardisation.
2. The figures and resulting chart on page 30 are examples only.
3. Note the use of zeros where no amounts applicable.
4. Total Capital Expenditure agrees to Total Funding (see page 26)
5. The example charts displayed show the relevant data tables ranked in order from highest to lowest (bottom to top) in the same way the chart displays the stacked columns from highest to lowest.

Capital Funding by Source



	07/08 Audit	08/09 Bud	08/09 Adj	08/09 Est	09/10 Bud	10/11 Proj	11/12 Proj
Accumulated Surplus	4 938 987	15 306 125	10 016 158	9 985 652	22 533 920	52 435 000	3 370 000
External Loans	24 372 659	33 500 000	20 000 000	20 000 000	35 000 000	55 800 000	173 480 000
Grants - Provincial Government	26 420 031	252 380 158	183 211 967	178 784 557	237 360 712	1 741 900 783	914 444 161
Grants - National Government	29 373 439	35 383 000	35 383 000	35 383 000	45 391 900	64 409 000	55 853 000